University of Pennsylvania Department of Economics

Econ 32: Political Economy

Spring 2020

Lectures
Tuesday & Thursday 12:00-1:20 (BENN 231).

Instructor
Deniz Selman (denizs@econ.upenn.edu)
Office Hours: Thursday 10:45-11:45 and by appointment (PCPE 541).

Grader
Collum Freedman (collumf@sas.upenn.edu)

Description
This course examines the effects of strategic behavior on political outcomes and government policies. Topics and applications may include voting behavior, candidate competition, voting systems, social choice and welfare, and policy divergence.

Prerequisites
Econ 1 and 2 (or Econ 10). Credit cannot be received for both Econ 32 and Econ 232.

Readings
Mandatory readings will be assigned throughout the semester. They will include both academic papers and recent news articles which are relevant to the topics we will be discussing in lecture.

Lectures
I will primarily teach by writing on the blackboard. Please make arrangements to borrow a friend’s notes if you miss a lecture. In order to discourage classroom distractions, the use of laptops is not permitted during lectures. (Tablets for note-taking are okay.) If you have a special condition which makes this a difficulty for you, please let me know.

Homework
There will be four homework assignments collected for grading during the semester. Homework assignments will be posted on Canvas one week before the due date and due at the beginning of lecture (no later than 12:05 pm) either as a hard copy or electronically, on the following due dates:
(1) Tue 4 February, (2) Tue 3 March, (3) Tue 24 March, (4) Thu 16 April.
No late homework assignments will be accepted. You are free to discuss homework assignments with others. However, each student must submit a personal copy for grading.

Quizzes
There will be four in-class quizzes held on the following dates:
(1) Thu 6 February, (2) Thu 5 March (quiz only; no lecture), (3) Thu 26 March, (4) Thu 21 April.
NO MAKE-UP QUIZZES: You will receive a zero for any quiz that you miss for any reason. To accommodate students who must miss a quiz, your lowest quiz grade will be dropped and the average of the other three quizzes will constitute the quiz portion of your grade.

Exams
Exam 1: Thursday 13 February (in class, beginning at 12:05 pm sharp).
Exam 2: Tuesday 31 March (in class, beginning at 12:05 pm sharp).
Exam 3: Tuesday 28 April (in class, beginning at 12:05 pm sharp).
MAKE-UP POLICY FOR EXAMS: Only students who contact me before an exam and provide a written excuse will be eligible to take a make-up exam. Students who miss an exam and are not eligible to take a make-up exam will receive a grade of zero on that exam.
RE-GRADING POLICY: Students have one week from the day in which examinatations and problem sets are returned to report errors in grading and/or to request that problems be re-graded. All such requests must be made in writing. If a student submits his/her exam for re-grading, then the student’s entire exam will be re-graded with no guarantee of a higher total score.
OTHER POLICIES & PROCEDURES: Apart from these stated specifics regarding quizzes and exams above, this course complies with all departmental policies as posted on the departmental website at:
http://economics.sas.upenn.edu/undergraduate-program/course-information/guidelines/policies.

Grading
Homework Assignments (16%), Best Three Quizzes (15%), Three Exams (23% each).
Course Outline
(tentative)

0) Some basic game theoretical tools…
   Strategic Behavior
   Nash Equilibrium

1) Voting Behavior: Downsian Model and Theories of Participation in Elections
   Individual Rationality and the Pivotal Voter Model
   Rule Utilitarianism and the Ethical Voter Model

2) Strategic Voting
   Voting in Multicandidate Elections: Sincere vs. Strategic Voting
   Voting with Incomplete Information: The Swing Voter’s Curse
   Herd Behavior and Information Cascades
     Application: Voting in Sequential Elections such as the U.S. Presidential Primaries

3) Electoral Competition
   Downsian Model
   Median Voter Theorem
   Condorcet Paradox
   Theories of Policy Divergence

4) Electoral Rules
   Systems of Voting
   Social Choice and Social Welfare Theory: Gibbard-Satterthwaite Impossibility Theorem